COMMISSIONERS APPROVAL

CHILCOTT 9

LUND SU

THOMPSON

TAYLOR (Clerk & Recorder)

Date.....July 7, 2006

Minutes: Sally Fortino

The Board of County Commissioners met for a discussion of the Open Lands Bond Issue, as presented by the Right to Farm and Ranch. Present were County Attorney George Corn, Deputy County Attorney Karen Mahar, Planning Director Karen Hughes, and Bitterroot Land Trust Representative Steve Powell, Right to Farm and Ranch Board Chairman Dan Huls and Weed Coordinator Bryce Christiaens.

George said if the bonds go out for sale the Board of County Commissioners has authority to set the interest rate. There are differences between mill levies and bonds.

Commissioner Lund asked if the municipalities are allowed to vote on the bond issue. Dan said they are.

Commissioner Lund asked that the time frame be checked on absentee ballots; that date might need to be changed. Ballots aren't available until 30 days before election.

Commissioner Thompson asked if all citizens are able to vote or just unincorporated area residents. Dan said all citizens could vote.

Commissioner Chilcott said people want to know what their indebtedness would be and it is important to be able to answer this question.

George said the question could not be answered until the bonds are sold; to state a certain amount could make the county liable for a lawsuit, which might impair the sale of the bonds. He stated the county needs to tell people up front what the estimation of costs are, but stating it in the ballot language makes the bonds vulnerable to legal attack. The buyer could be in jeopardy if a lawsuit is filed.

Dan said we need a figure, but it should be stated that the figure applies when the bond is fully issued.

George said Attorney Mae Nan Ellingson of Dorsey and Whitney PC advised him that citizens can require the enforcement of anything written in the actual resolution. She suggested the Commissioners have 'schedules' similar to the ones done for levies, based on current population, etc. She agreed a solid figure leaves the county vulnerable for a lawsuit.

Commissioner Chilcott said he is sure everyone would want a figure, and there must be a way to approximate the cost.

Steve suggested looking at the jail bond issue and see how they calculated those costs out to the tax payer. He stated all the bond indebtedness was sold at one time. This might be the same kind of comparison. Steve also noted as the population increases in the valley, the bond share price might also change (go down).

George said if you put any costs in the ballot language you compromise your ability to sell the bonds.

Commissioner Lund said the word is already out there. The Ravalli Republic and Missoulian printed the story with estimations. She added it was some time after the election that anything was actually purchased in Gallatin County.

Dan said they wouldn't ask for bond moneyuntil a deal was ready to go.

Commissioner Lund asked if the bond is sold at the time the property is lined up, and if it would go on the tax bill for that year.

Steve said it might be necessary to guess what operating expenses will be. Some land owners might need to claim a tax deduction. Perhaps some bonds should be sold now to establish a working fund; don't distribute the funds, but have them available for use. Many want the protections in place; this is a way to provide it.

George said there are many Federal and State regulations. That is why the county needs to utilize Bond Council. He also stated any money collected must be spent within 18 months.

Commissioner Lund reminded the Board they have to start paying on that money; if you can't collect taxes in time for deadlines, you will have no way to meet the expense.

Commissioner Chilcott said bonds have terms, from first issuance to the time of the first payment.

Commissioner Thompson commented it is a lengthy process: sell bonds, create boards, and set public hearings.

Dan reiterated it was several years before Gallatin County did their first project.

Commissioner Chilcott said they would be accruing indebtedness; as there are always upfront costs.

Dan said license plates proclaiming open lands would provide some revenue. It would require investigation to determine amounts.

Commissioner Thompson said he understood all moneys generated in the State went to Gallatin County. When another County comes in, would they get their fair share? Dan said the rules have changed since then. There are all kinds of license plates now.

Commissioner Chilcott referred to sec. 11-B. He commented they are authorized to spend small amounts without going through the procedures necessary for larger amounts.

The Commissioners discussed various changes that should be made in the document, including typographical errors and allusions to personnel not presently in the employ of the County.

George said the Open Lands Board would propose policies. Their first action would be to propose that the Commissioners enact an Open Lands Policy. He added that Mae Nan recommended it be done this way. The policy is really already out there.

Steve said he met with Land Trust and they may add something on their website about the Open Lands Policy, to help educate the public. He suggested the County do the same.

George said it could be done through a link on the website, to eliminate the risk of being accused of campaigning for it. Karen said the Planning Department could add a link through their website, as well.

Steve cautioned not to oversell what this can do. This is one tool, not the whole box.

George said there are folks who just want the costs paid; they will donate the easement if they don't have to come up with the costs. It would be an inexpensive way to pick up a lot of open land.

Dan said as they are developing criteria and a point system, they must determine the average parcel size, perhaps adding to points for larger parcels. The land could be consolidated without changing its description.

Commissioner Chilcott said it would provide a way to re-aggregate land into one parcel, so we don't have all those parcels on the books. It may be attractive to those who have all those orchard tracts with all those roads on them. He asked if we are looking at open space in and around existing high-density areas. It would keep some rural character in densely populated areas on the valley floor.

Steve said concept or perspective would be needed. Some may not meet other public objectives; it will be incentive to move forward with other tools, like zoning and other designated usages. This is for the willing landowner who wants to benefit the public.

Dan said Gallatin County weighed things according to the threat to the land. Steve said what comes across your desk from landowners will have something to do with decisions. Just open land, if it has drawbacks to it, doesn't automatically qualify. The costs of operation and management must be considered for public lands.

Commissioner Thompson said he doesn't agree with opening space close to communities. Agricultural land should be what is being preserved farther out in the County. If there was an opportunity to buy Area 3 versus Corvallis, pump the money into Corvallis and leave Area 3 alone. All criteria must be developed first.

Commissioner Chilcott said he was concerned with the purchase because of long-term costs to taxpayers. Keep some parcels with hay or horses or cows.

Dan said good water rights and an irrigation system that is feasible would be points considered. Water quality and wildlife habitat are also important.

Steve said adding predictability to a neighborhood would be a boon to landowners. They won't be concerned about subdivisions coming in if the land is devoted to open lands.

George said people would see it that way; people will be looking for that predictability.

Steve will start to move the marketability of the surrounding land, too. We are all neighbors to some open land.

Commissioner Chilcott said cost is still the question.

George said the meeting would be July 20^{th} for the public hearing. If the meeting results in approval of the language, the Board of County Commissioners can act on it at that time.

Discussion followed on additional corrections to be made to the document, and George said it would be reworked and returned to the Board of County Commissioners.

Steve said Bitterroot Land Trust would be happy to answer any questions forwarded to them.

Dan said he would be making a presentation to the Board of Realtors on Wednesday.

Commissioner Thompson said he attended a meeting in Corvallis, where he made the point that the Planning Department staff and the Board of County Commissioners have accomplished many things. The public's perception is that the county has done nothing.

Commissioner Thompson stated when one examines what has been accomplished in the last few years it mounts up. They may be small steps, but they add up to a large positive.